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GUAM CABLE TELECOMMUNICATIONS, INC.

530 West O'Brien Drive Agana, Guam 96910

July 7, 1997

Mr. William F. Caton Acting Scretary Office of the Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

Re:

CCB Pol. No. 96-18, CC Docket No. 97-134;

In re Petition of Guam Public Utilities Commission

for Declaratory Ruling Respecting Sections 3(37) and 251(h) of the

Communications Act as amended, Supplement

Dear Mr. Caton:

Guam Cable Telecommunications, Inc. ("GCT") hereby requests leave to supplement its comments in response to FCC Public Notice, CC Docket No. 97-134, released May 19, 1997, concerning the treatment of Guam Telephone Authority ("GTA") as an incumbent LEC for purposes of section 251 of the Communications Act.

While today is July 7 on Guam, it is still only July 6 in Washington. If we were located in Washington, we could have included these in our July 3 filing, and while we are using U.S. Express Mail (which experience shows is the fastest courier service to and from Guam), this supplement may arrive after July 7. We therefore request further leave to file it late.

We ask to supplement our July 3 filing with an article entitled: "Merchants: Phone book way too late", Pacific Daily News, July 5, 1997 at 46, and an editorial, "GTA has to improve its products and service or customers will lose faith", Pacific Daily News, July 7, 1997 at 22, copies attached.

We submit these two items because they complain of the complete disregard which the

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monopoly LEC, GTA, exhibits toward the community. The GTA Telephone Directory was not out in late December as advertised, and is still not out, but when it arrives it will have numbers last updated in September, 1996, which is nine months ago. GTA has advertised Feature Group D for over one year, but did not prepare properly. As all commenters except GTA have pointed out, the people of Guam deserve the benefits of competition which Congress intended in the 1996 Act, and thus to have GTA treated as an incumbent LEC.

Respectfully submitted,

Ric Novak

General Manager

cc: Ms. Janice Myles

Express Mail

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Federal Communications Commission July 7, 1997 3 of 3

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The Bible goes digital

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Businesses say late GTA phone book has cost them customers Page 46

A Gannett Newspaper



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VOL. 28 NO. 154 AGANA, GUAM, JULY 5, 1997

Hafa Adai, it's Saturday

75¢ on Guam

BUSINESS



GOLD: Gold closed at \$328.65 yesterday and closed at \$332.85 Thursday. **NIKKEI:** Stocks fell 153.41 points yesterday, to close at 19,968.00. **YEN:** The dollar was trading at 113.12 yen on the Tokyo foreign exchange market at 5 p.m. yesterday, down 1.2 yen from late Thursday.

Merchants: Phone book way too late

Daily News staff

Saturday, July 5, 1997

Some island business owners want to close the book on the missing 1997 Guam Telephone Authority directory.

The book is on its way, according to Vicente Camacho, authority general manager. Delivery of 97,000 copies of the phone book to the island is expected July 9, Camacho said in a recent letter.

Camacho said Friday he already has received a copy but hasn't reviewed it. Camacho has declined to discuss the sevenmonth delay in delivery and possible problems with the directory. But some merchants said this week they fear it may be too little, way too late.

Bill Hardee, owner of Pacific LP Gas in Tamuning, said he relies on the book to get his name to residents who want tanks of gas delivered to their homes. Without the 1997 directory, Hardee said, he's had to step up his newspaper advertising and return to putting his company's phone number on the tanks as another form of promotion.

"You need the advertising that's in the phone book," he said.

"You have to get your phone book already is out of date for number out there."

Joe Couch, president of Glimpses of Guam Inc., said his clients and others paid thousands of dollars for ads that still haven't been seen by island residents. Couch's company includes an advertising agency and a publishing enterprise.

Particularly hard-hit by the lack of a current directory are food-delivery outlets, rental car agencies, long-distance carriers and other businesses that rely heavily on the phones for their livelihoods, Couch said. The

book already is out of date for the dozens of businesses that have come and gone since September, when the listings were compiled for printing, he said

"They're out of the home-delivery business if they don't have a good listing," Couch said. "I think everybody's pretty perturbed."

Jackie Chandler, spokeswoman for IT&E, said the advertisement her company submitted explains a dialing system no longer in place. Guam switched this week to mainland-style dialing. "Our biggest concern is that the ad that we put out has the old dialing," she said,

The missing directory has left the field free for Yellow Pages, which publishes a competing directory, Chandler said. The company's 1997 Guam Phone Book, a free publication, was delivered door-to-door in early January, but copies still are available, according to company marketing consultant J.R. Dominguez said.

"We're the only phone book on Guam now," he said.

Developer

OPINION

GTA has to improve its products and service or customers will lose faith

Guam Telephone Authority officials have lost a lot of credibility with business owners and private customers because GTA products and service leave a lot to be desired

If Guam telephone officials don't get their act together, they could find themselves faced with competition from a privately-owned telephone company.

privately owned Aphone company may be the best solution in the long run, but in the meantime, island customers deserve the products and service that they are paying for.

There have been three recent problems that authority officials have failed to solve.

They include having too many employees, failing to provide a telephone directory on time and failing to get Feature Group D working on time.

First, was the authority's flagrant disregard of a 1995 audit that said it could get along with 64 fewer people. Instead of cutting down on employees, authority officials

hired five more people.

Then, GTA officials had the gall to ask for a rate increase to make up for the money they would be losing from long-distance carriers because of the Telecommunications Act.

Next, the telephone directories, due out six months ago are still not here.

Customers deserve and need a current directory for both convenience and access to new information. People who depend on their directory advertisements to make a living are suffering.

Officials refuse to explain the reason for continued delays or even provide a delivery date.

And now, the newly launched Feature Group D is proving to be a disappointment because GTA didn't properly install the service.

For weeks, private long-distance carriers have warned that not enough testing had been done to make sure the new direct dialing feature would work.

But GTA officials assured us they had taken precautions. On July 1st, when the change was supposed to go into effect, much of the island found that direct dialing didn't work.

And now, a week later, service is still crippled and businesses may be paying for the problem in lost revenue.

All of this shows blatant disregard for the customers

GTA is supposed to serve.

People want to see that the telephone authority has done its best to provide good service and has kept expenses at a reasonable level before they will agree to the authority's demand for higher rates.

For now, GTA is the only local telephone company in

town, and we have to live with it.

But if the authority doesn't shape up, it may be creating an environment that is ripe for competitors to step in and take over.

While a privately-owned local telephone company may be a healthy way to stimulate better service, products and rates for local customers, we don't need to lose some of the investment that taxpayers and users have made over the years when GTA's value for a possible buy-out drops because of its current failings.

A privately owned phone company may be the best solution in the long run, but in the meantime, island customers deserve the products and service that they are

paying for.

Pacific Vaily News

A Gannett Newspaper

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